

**IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF TEXAS**

TYLER DIVISION

DATE: March 17, 2010

JUDGE
LEONARD DAVIS

COURT REPORTER
Shea Sloan

Law Clerks: Natalie Alfaro

SOVERAIN SOFTWARE, LLC vs. NEWEGG, INC. LTD	CIVIL ACTION NO: 6:07-CV-511 MOTION HEARING
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ATTORNEYS FOR PLAINTIFF	ATTORNEYS FOR DEFENDANTS
Ken Adamo (Jones Day) Thomas Demitrack (Jones Day) George Manning (Jones Day) Katherine Wolanyk - Client Representative	Claudia Frost (Pillsbury Winthrop Shaw) Jeremy Gaston (Webb Law Firm) David Hanson (Webb) Trey Yarbrough (Yarbrough Firm) Mira Wolff (Newegg) Lee Cheng (Newegg)

On this day, came the parties by their attorneys and the following proceedings were had:

OPEN: 1:30 pm

ADJOURN: 5:35 pm

1:30 pm	Case called. St. Patrick's Day discussed. Court indicated Clerk handing out shamrock stickers.
	Mr. Adamo, Mr. Demitrack & Mr. Manning announced ready for Soverain.
	Mr. Yarbrough, Ms. Frost, Mr. Gaston and Mr. Strachan announced ready for Newegg.
	Court asked for a brief opening statement.
	Ms. Frost addressed the court on people in the courtroom that may not be appropriate for the whole hearing based on confidentiality. Court asked for identification of the members of the gallery. Mr. Adamo introduced Mr. Finkelstein, Ms. Galvan, Mr. Conrad, Mr. Roth, Ms. Abraham. Mr. Findlay introduced self. Ms. Frost introduced Newegg's representatives. Mr. Adamo addressed the Court and stated that Ms. Galvan and Mr. Conrad not being a member of the trial team.
	Ms. Frost addressed the Court on procedure of the opening statement. Court stated its preference on the hearing, to be like a trial, opening statement and then calling witnesses.
	Ms. Frost presented opening statement to the Court.

DAVID J. MALAND, CLERK

FILED: 3.17.2010

BY: Rosa L. Ferguson , Courtroom Deputy

	Mr. Demitrack presented opening statement to the Court.
	Court asked for any witnesses to stand and state name: Mr. Mark Finkelstein, Mr. Lee Cheng, Ms. Mira Wolff stood and stated names. Clerk administered oath to witnesses.
	Mr. Adamo requested the Rule be invoked. Court advised the witness of the Rule being invoked and excused the witnesses from the courtroom.
	Mr. Adamo addressed the Court on his presence in the courtroom and the reason Mr. Demitrack and Mr. Manning were present for these proceedings. Mr. Adamo asked to be excused. Mr. Adamo exited the courtroom and not present for the testimony..
	Ms. Frost addressed the Court. Ms. Frost asked that all persons not associated with Jones Day be excused. Mr. Findlay excused from the courtroom.
	SEALED PORTION OF TESTIMONY.
	Ms. Frost called LEE CHENG to the stand. Witness previously sworn.
	Direct examination of Mr. Cheng by Ms. Frost. Ms. Frost offered Defendant's Exhibit #1 , and without objection, exhibit admitted. An unmarked Demonstrative Exhibit tendered to the Court.
	Ms. Frost passed the witness. Mr. Manning tendered binders of exhibits to the Court. Mr Manning also tendered the original exhibits to the Clerk.
	Cross examination of Mr. Cheng by Mr. Manning. Mr. Manning offered Plaintiff's Exhibit #19 , and without objection, exhibit admitted.
	Mr. Manning passed the witness. Redirect examination of Mr. Cheng by Ms. Frost.
	Ms. Frost passed the witness. Recross examination of Mr. Cheng by Mr. Manning.
	Mr. Manning passed the witness.
	Ms. Frost has no further witnesses.
3:15 pm	Court in recess for 10 minutes.
	Hearing resumed. SEALED TESTIMONY CONTINUED.
	Mr. Demitrack called MARK FINKELSTEIN to the stand to the witness stand. Witness previously sworn.
	Direct examination of Mr. Finkelstein by Mr. Demitrack. Mr. Demitrack offered Plaintiff's Exhibit 1 & 2 , and without objection, exhibit admitted. Mr. Demitrack offered Plaintiff's Exhibit 3 , and without objection, exhibit admitted. Mr. Demitrack offered Plaintiff's Exhibit 13 & 14 , and without objection, exhibit admitted. Mr. Demitrack offered Plaintiff's Exhibit 4 & 5 , and without objection, exhibit admitted. Mr. Demitrack offered Plaintiff's Exhibit 6 & 7 , and without objection, exhibit admitted. Mr. Demitrack offered Plaintiff's Exhibits 8-12 , and without objection, exhibits admitted.
4:20 pm	Court in recess.
4:30 pm	Hearing resumed. SEALED TESTIMONY CONTINUED.
	Direct examination of Mr. Finkelstein by Mr. Demitrack continued.

	Mr. Demitrack passed the witness. Cross examination of Mr. Finkelstein by Mr. Strachan.
	Mr. Stachan passed the witness. Redirect examination of Mr. Finkelstein by Mr. Demitrack.
	Mr. Demitrack passed the witnesses. No further questions of this witness.
	Mr. Strachan addressed the Court on providing a short closing argument.
	Mr. Manning asked if the parties that were excused could come back in.
	Ms. Frost presented closing argument to the Court.
	Mr. Demitrack presented closing arguments to the Court.
	Ms. Frost asked to submit the minority report. Court will get parties a ruling and motion is submitted.
5:35 pm	There being nothing further, Court adjourned.